King County

Department of
Community and Human Services

Public Health
Seattle & King County

March 1, 2013

Nathan Johnson, Director
Washington State Health Care Authority
Health Care Policy Division
PO Box 45502
Olympia, WA 98504

RE: Alternative Benefit Plan Strawman and Medicaid Cost Sharing Strawman for Adults

Dear Mr. Johnson:

Thank you for the opportunity to provide comment on the goals and proposed designs of the Medicaid Alternative Benefit Plan and Cost Sharing for Adults in advance of the January 2014 Medicaid expansion in Washington state.

We are very supportive of the decision to use a common Medicaid benefit plan for adults, adding preventive and mental health services to create the alternative benefit plan. We recommend against imposing cost sharing on 11 categories of services for those newly eligible with incomes between 100 percent and 138 percent of poverty, and instead suggest using nominal cost sharing only for services whose utilization is being discouraged, such as brand name drugs.

King County government is pleased to be a partner with the state in the implementation of the Patient Protection and Affordable Care Act (PPACA) of 2010 in our region. As home to almost one third of our state's residents, we look forward to the improvements in health care access that this law will bring to our 1.9 million county residents. Public Health-Seattle & King County (PHSKC) and the Department of Community and Human Services (DCHS) provide public health, health care, human services, and substance use and mental health services to thousands of the highest need, low-income residents in King County. Public Health-Seattle & King County is the one of the largest metropolitan health departments in the United States with 1,500 employees, 40 sites, and a budget of $318 million. Department functions are carried out through core prevention programs, environmental health programs, community-oriented personal health care services, emergency medical services, correctional facility health services, emergency preparedness programs, and community-based public health assessment and practices.

The DCHS plays a leadership role in coordinating regional mental health and substance abuse treatment, as well as housing and human services systems with focused efforts in five areas: prevention and early intervention services, ending homelessness, criminal justice services as alternatives to incarceration, job training and employment services, and quality public defense services. Mainly through contracts with community-based agencies, DCHS helps King County's low-income and special needs residents achieve stability, improved health, greater independence, and a higher quality of life. Programs and services are coordinated through the Director's Office

and four divisions: Community Services; Developmental Disabilities; Mental Health, Chemical Abuse and Dependency Services; and the Office of Public Defense.

Together we have substantial experience providing services under various benefit plans and cost sharing levels primarily to residents with Medicaid and those who are uninsured. We are actively working on several collaborative approaches to improve the health and well-being of our patients and the public as the Affordable Care Act (ACA) coverage expansions are implemented. Comments below address the Medicaid alternative benefit plan, discrimination and health inequities, cost sharing for adults and our King County outreach and enrollment initiative for 2013.

Alternative Benefit Plan

Use of Medicaid standard benefit: We applaud HCA for choosing the Medicaid standard benefit for the alternative benefit plan (ABP), rather than a potentially less comprehensive commercial benefit package. We assume that the Medicaid standard benefit includes today's Medicaid benefits that have been established through waivers. *Offering a single Medicaid benefit plan has several administrative and consumer-friendly advantages.* By contrast, offering more than one plan will likely create confusion for enrollees, and lead to administrative costs and complexities for providers, practices, plans, and the Health Care Authority. The HCA's strawman design will streamline administration for all parties involved and make the enrollment experience more seamless for residents. We urge that this rationale be applied to the cost sharing proposal for adults, as well; see below.

Preventive services: *We are very supportive of the PPACA's requirement that essential benefits packages cover a broad range of preventive services* including: "A" or "B" services recommended by the United States Preventive Services Task Force; Advisory Committee for Immunization Practices recommended vaccines; preventive care and screening for infants, children and adults recommended by HRSA's Bright Futures program/project; and additional preventive services for women recommended by Institute of Medicine.

Alcohol/drug screening and brief intervention: *We are equally supportive of the important addition of Screening, Brief Intervention and Referral to Treatment (SBIRT),* an evidence-based service that improves substance use outcomes.

Mental health benefit: While few details are provided in the strawman design about the mental health benefit, *we are very glad that the Medicaid ABP will comply fully with the federal mental health parity law, Mental Health Parity and Addiction Equity Act, across all Medicaid populations and in a manner that supports a common adult benefit.* We have noted that you have called this out as a design element needing adjustments in order to enable a common adult benefit, and we encourage the exploration of innovative approaches that will allow for the application of parity across the Medicaid population. As the HCA works on the implementation of parity benefits, we urge that adjustments be designed to support patient-centered "health home" principles that lead to appropriate coordinated referrals for medical and behavioral health services. In a couple months, our agencies will have substantially more input to offer as work is done to meet spring and summer 2013 deadlines for King County Motion 13768 (which calls for

the County Executive to develop a plan for an accountable and integrated system of health, human services, and community-based prevention), dual eligibles demonstration and health home pilot projects. We are very interested in how the HCA will clarify policy and coordinate operations across Medicaid mental health managed care, fee-for-service and Regional Support Networks and would like to continue partnering with the state on the design of these new systems.

Adult dental benefit: Last, we recommend reinstating an adult dental benefit for the newly eligible to take advantage of 100 percent federal match for three years, since it will benefit thousands of low-income residents and cost the state nothing.

Discrimination

We strongly support the PPACA's prohibitions against discrimination: "Essential health benefits cannot be based on a benefit design or implementation of a benefit design that discriminates on the basis of an individual's age, expected length of life, or of an individual's present or predicted disability, degree of medical dependency, or quality of life or other health conditions." *We urge the Health Care Authority to leverage the PPACA coverage expansions to address health inequities in the use of preventive and other health care services that currently burden King County low-income residents, especially residents of color.* For example, African Americans over 50 are less likely to get colorectal cancer screening than Whites (58% versus 66%) and Hispanic adults are much less likely to have regular cholesterol checks than Whites (62% versus 88%). Diabetes-related deaths are almost three times more common among African Americans than among White residents (142 deaths versus 56 per 100,000). (Source: PHSKC Community Health Indicators at http://www.kingcounty.gov/healthservices/health/data/chi.aspx.) While benefit design may not reduce health inequities, the delivery system has an important role to play and HCA contracts with health plans can include cultural competency requirements, translation and interpretation policies and outcomes tracking that work toward making our county a more fair and just place to live.

Medicaid Cost Sharing for Adults

Federal cost sharing requirements of the ACA allow states to adopt a cost-sharing structure that can include cost sharing for enrollees with incomes under 150% of the federal poverty level (FPL). Although cost sharing among Washington's Medicaid expansion population could potentially generate a modest amount of revenue, it would also create administrative challenges and barriers to accessing care for beneficiaries. Furthermore, taking into consideration the state's experience with Basic Health cost-sharing and recognition that cost sharing is well-known to serve as a disincentive and deterrent in accessing and receiving vital services—*we recommend opting for no-cost sharing for the Medicaid expansion population with incomes between 100 percent and 138 percent FPL and if any cost sharing is imposed that it is for services with policy reasons to discourage use, such as brand name drugs and non-emergency use of the emergency room.*

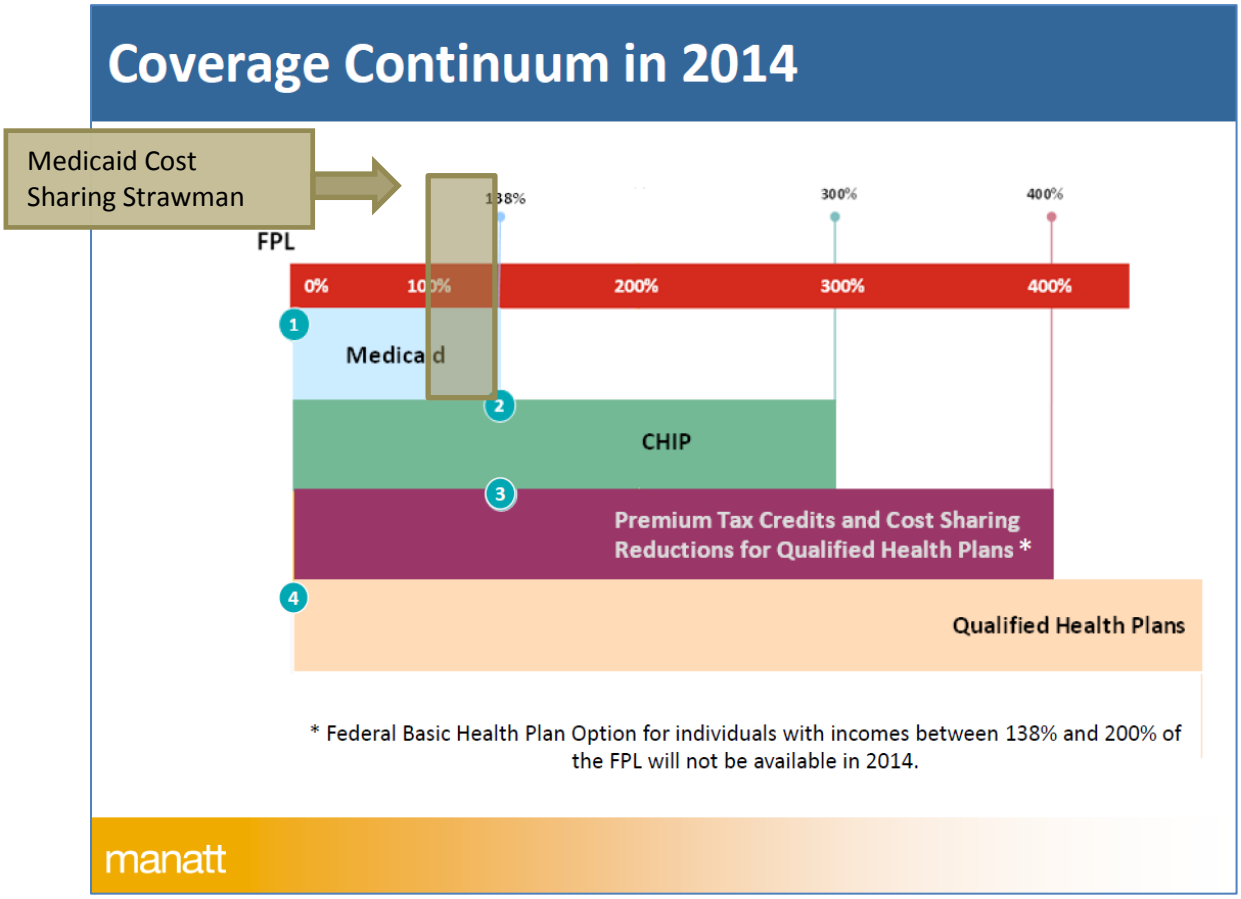
Instead, we would rather the HCA develop meaningful, evidence-based and non-punitive strategies that address the issue of personal responsibility rather than use the "blunt instrument"

of cost-sharing to support improvements in health and wellbeing, and promote fiscal sustainability of Washington's Medicaid program.

Simplicity of administration and outreach in 2013 and 2014

One of King County Executive Dow Constantine's four cornerstone initiatives for 2013 announced at his State of the County address on February 4, 2013 is the launch of a campaign to enroll 180,000 uninsured in King County into affordable healthcare coverage. The success of this public/private partnership is dependent on the use of clear, simple messages about how those who are currently uninsured can benefit from the Affordable Care Act. The current expansion plan, while laudable in many ways, is somewhat complex already, see Figure 1. Adding separate cost sharing amounts for a very narrow income range will increase communications complexity and will challenge access and outreach activities this year in King County and throughout the state. We urge you to keep cost sharing levels consistent for all adults below 138 percent of poverty, i.e. no cost sharing.

Figure 1. Health coverage expansions in Washington, by income level



Source: Tan colored shapes added by PHSKC to Manatt Consulting, Washington Health Care Authority: Stakeholder Meetings September 18-21, 2012

We appreciate the opportunity to comment on the Medicaid expansion strawman proposals and look forward to the chance to provide public comment when HCA provides notice before implementing a state plan amendment for the Medicaid alternative benefit plan and cost sharing.

Sincerely,

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David Fleming, Director
Public Health-Seattle & King County

cc: Genesee Adkins, Director of Government Relations, Office of the King County Executive
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